

EXHIBIT 1

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

Case Nos. 08-13555 (JMP)

08-01420 (JMP) (SIPA)

- - - - -x

In the Matter of:

LEHMAN BROTHERS HOLDINGS, INC., et al.

Debtors.

- - - - -x

In the Matter of:

LEHMAN BROTHERS INC.,

Debtor.

- - - - -x

United States Bankruptcy Court

One Bowling Green

New York, New York

December 22, 2008

10:14 AM

B E F O R E:

HON. JAMES M. PECK

U.S. BANKRUPTCY JUDGE

VERITEXT REPORTING COMPANY

212-267-6868

516-608-2400

100

1 and claims with respect to its contracts, are reserved. And we
2 would have the opportunity to assert those rights and claims
3 through the end of the fifteen-day window period. And I thank
4 debtor for their cooperation.

5 THE COURT: Fine, thank you.

6 MR. SCHWARTZ: Your Honor, good afternoon. James
7 Schwartz, Stempel Bennett Claman Hochberg for SLG 220 News
8 Owner LLC.

9 My position is very similar to that of Mr. Kent's.
10 The only reason -- I am a nondebtor guarantor of my client's
11 lease. The only concern that we had was that the order that
12 Your Honor was going to enter here could somehow prejudice our
13 state law rights, whatever they may be. But I think you've
14 clarified that already and I'm not going to press the point any
15 further.

16 THE COURT: Fine.

17 MR. SCHWARTZ: Thank you.

18 MR. LOBELLO: Good afternoon, Your Honor. Edward
19 LoBello, Blank Rome for Thompson Reuters.

20 Your Honor, we have filed a limited objection and
21 reservation of rights. I'd like to confirm for the record what
22 Weil Gotshal indicated, that based upon the proposed order
23 that's before you and the debtor's representations in its
24 omnibus reply, and also before the Court, that our papers are
25 simply a reservation of rights to reserve our rights

1 accordingly and before our limited objected.

2 THE COURT: Fine, thank you.

3 MR. HERMAN: Good afternoon, Your Honor. Ira Herman
4 from Thompson & Knight for the Crossmark entities.

5 Your Honor, we've had colloquy with the Weil Gotshal
6 attorneys and representative of the debtors. I've been
7 authorized to stand down at this time as a result of
8 discussions.

9 THE COURT: Fine.

10 MR. SHERIDAN: Good afternoon, Tom Sheridan from
11 Hanley Conroy on behalf of Benjamin Gamoran.

12 And as my colleagues -- based on the representations
13 that have been made and the rulings that Your Honor indicated
14 on the record, we withdraw that objection.

15 THE COURT: Thank you. Is there anyone else who
16 wishes to be heard on this point?

17 MS. THOMAS: Good afternoon, Your Honor. Stephanie
18 Thomas on behalf of the Pension Benefit Guaranty Corporation.
19 Based on the changes to the sale order the representations in
20 the omnibus objection and made here today, we also withdraw our
21 objection to the sale order.

22 THE COURT: Thank you. Now let me ask Oracle if
23 Oracle wishes to say anything more, or if you're now satisfied.

24 MR. KENT: I'm satisfied with --

25 THE COURT: You may not be, I don't know.

1 MR. KENT: I'm satisfied with respect to the
2 contracts with the debtor and the notice and the reservation of
3 rights. However, I'm a little troubled by the statement made
4 with respect to nondebtor entities and any contracts that the
5 debtors herein are seeking to assume and assign contracts that
6 nondebtors may have with Oracle.

7 THE COURT: That can't happen.

8 MR. KENT: And that's exactly the point. If that's
9 the representation, then I think we're fine. Thank you.

10 THE COURT: It's just a basic principle of bankruptcy
11 law. I can't do it.

12 MR. KENT: Thank you.

13 MS. FIFE: Just very quickly, Your Honor, about the
14 same thing. We're not seeking to assume and assign any
15 contracts with nondebtors because it's not appropriate and you
16 don't have jurisdiction over that.

17 If we choose to assign a contract, as I said before,
18 we'll comply with whatever requirements are in that particular
19 contract. And right now we have no present intention to file
20 any other companies. So I just want you to understand that.

21 THE COURT: Okay.

22 MS. FIFE: Thank you.

23 THE COURT: Is there anything more?

24 Based upon the record that has been presented, the
25 argument of counsel, the withdrawal of various objections or

1 the overruling of objections, I am satisfied that the debtor
2 has demonstrated cause for approval of the sale of its
3 investment management division, which is being sold to NBSH
4 Acquisition, the highest bidder at a duly noticed auction which
5 was conducted in accordance with the Court approved bidding
6 procedures. The transaction, as represented, represents the
7 highest and best value for the assets that are being sold, and
8 represents what appears to the Court to be a creative means to
9 preserve the potential for the debtor to realize higher value
10 in the future at a time when market conditions may be
11 materially more favorable than they are today.

12 Under the circumstances I'm prepared to enter the
13 order in the form that it has been submitted, with a proviso
14 that to the extent that there are parties that have expressed
15 concerns, reservations and objections with regard to the form
16 of the order, that they at least be afforded an opportunity to
17 review the order as it has been revised. And to the extent
18 there are some language adjustments that may make the order a
19 more comforting document than it is today, and are not
20 objectionable to the debtor, that the debtor at least give some
21 consideration to those comments. With that, the transaction's
22 approved.

23 MS. FIFE: Thank you, Your Honor. And we will
24 provide copies of the order to everybody.

25 And, in addition, Your Honor, we have orders and

1 disks for the uncontested matters, which we'll take care of
2 shortly. One of them needs to get entered today, if possible.

3 THE COURT: We'll try to enter all the orders today.

4 MS. FIFE: Thank you, Your Honor. I appreciate it.

5 THE COURT: Now, in terms of the agenda, we had one
6 deferred matter, OMX.

7 MR. FLECK: Your Honor, Evan Fleck of Milbank Tweed
8 on behalf of the committee. Unfortunately, in light of the
9 other matters the Court has been dealing with, we hadn't all
10 had an opportunity to discuss whether a consensual resolution
11 is appropriate even among the parties. We would request, if
12 the Court pleases, to have a brief recess so that we can all
13 confer.

14 THE COURT: Here's my suggestion. It's now after 1
15 p.m. and this is an omnibus day, not an omnibus morning, so we
16 can certainly return at 2:30, which would give everybody
17 hopefully time to get some lunch and to perhaps also confer.
18 This is a matter which is somewhat parochial in that it
19 involves particular parties. And so unless there are people
20 who are very interested in knowing the outcome, no one else
21 needs to come back, but all are welcome.

22 So we're adjourned until 2:30.

23 (Recess from 1:08 p.m. until 3:01 p.m.)

24 THE COURT: Please be seated. First of all, let me
25 apologize for the delay, I was dealing with an emergency that